

Apartment Fast-Track Fund

PROGRAM GUIDELINES

Government of South Australia

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The Apartment Fast-Track Fund Program (the Program) provides government-backed purchase guarantees to support eligible apartment developments.

These Guidelines outline who can apply, how applications are assessed, the support available, and the requirements for participating in the Program.



Key Terms

Adelaide CBD means the Adelaide Central Business District.

Apartment means a Class 2 building in accordance with the National Construction Code.

Applicant means a developer that has submitted an Application.

Application Fee means the fee payable upon the making of an Application to participate in the Program.

Application means the provision of documentation to apply to participate in the Program, following receipt of an invitation to apply.

Commence or **Commencing** means the first undertaking of building work (as defined in the *Planning, Development and Infrastructure Act 2016*) on a Project following the giving of the mandatory notice of intention to commence building work under regulation 93(1)(a) of the ***Planning, Development and Infrastructure (General) Regulations 2017*** (SA).

DHUD means the Department for Housing and Urban Development.

DTF means the Department of Treasury and Finance

Establishment Fee means the fee payable upon acceptance into the Program.

Expression of Interest means the initial online form completed by a developer to express their interest in nominating a Project to participate in the Program.

Facility Fee means the annual fee calculated monthly by reference to the total value of Guarantees issued in respect of a Project.

GAP means the Guarantee Advisory Panel responsible for providing a recommendation to the Treasurer on the Applications to the Program.

Guarantee means a financial guarantee issued by the Government for a Project under the Program.

Program means the Apartment Fast-Track Fund program whereby the South Australian Government may guarantee up to 50 per cent of dwellings in eligible projects utilising the Fund, up to a value of $50 million per Project.

Program Documents means the legal documentation successful Applicants are required to execute to secure their participation in the Program.

Project means an off-the-plan apartment development seeking support under the Program.

SAFA means the South Australian Government Financing Authority

Overview

The South Australian Government (the Government) has established the $500 million Apartment Fast-Track Fund program (the Program) to accelerate apartment developments.

The Program will provide purchase guarantees to support eligible off-the-plan apartment developments that do not yet meet financier pre-sale requirements, enabling construction to commence and projects to be brought to market more quickly.

The Program is designed to support developments that will deliver broader economic and housing benefits to South Australians, including increased housing supply and support for employment in the construction sector.

These Guidelines outline:

- the nature of assistance to be provided by the Government;
- eligibility criteria for access to the Program;
- the application process; and
- program administration, governance and assessment decision making.

These Guidelines are to be read in conjunction with the Terms and Conditions associated with participation in the Program.

The Treasurer, as responsible Minister, may vary program settings and approve support outside standard parameters at its sole discretion.



Nature of Assistance

The Program will provide government-backed purchase guarantees to eligible off the plan apartment projects that support the Government's commitment to increasing South Australia's long-term housing supply.

Up to 50% of total dwellings, and up to $50 million, will be eligible for guarantee, per Project.

Where guaranteed dwellings remain unsold at completion, the Government will purchase dwellings at a minimum 10% discount to market value, based on an independent market valuation sought by Government at the time the guarantee is agreed.

Guarantees are transitional in nature, with the intent to facilitate project commencement by reducing barriers caused by pre-sale requirements, and not ongoing or permanent market support.

Developers can request guarantees be rescinded at any time prior to settlement, including for reasons where an alternative purchaser has been secured, additional apartment sales have been achieved, or alternative financing has been secured.



Eligibility Criteria

To be eligible, a Project must:

- be located within South Australia, noting priority will be given to projects in the Adelaide CBD, North Adelaide or Port Road precinct (refer map of priority locations on the Program website).
- have a minimum of 20 dwellings;
- have valid Development Approval issued under the *Planning, Development and Infrastructure Act 2016*;
- be capable of Commencing within six (6) months of acceptance into the Program, following execution of the Program Documents; and
- demonstrate viability independent of the Program.

Eligible guaranteed dwellings will:

- have a maximum dwelling value of no more than $1.5 million; and
- be determined by the Government in its absolute discretion to ensure portfolio diversification and risk management.

Up to 50% of total dwellings, and up to $50 million, will be eligible for guarantee, per Project.

In addition to the above criteria, the Project's developer must:

- be a legal entity capable of entering binding agreements;
- have demonstrable previous success with off-the-plan apartment projects;
- have the capacity, capability and credibility to deliver the Project;
- be in a sound financial position;
- have a credible builder/contractor(s) for the Project; and
- have a credible financier for the Project.



Fees

To ensure the Program is financially sustainable, the following non-negotiable fees will apply from 1 July 2026:

Fee Type	**Amount** (incl. GST)	**Description**
Application Fee	$20,000	Non-refundable fee for assessment costs, payable on receipt of an Application.
Establishment Fee	$30,000	Non-refundable fee for administration costs, payable upon acceptance into the Program.
Facility Fee	1% p.a.	Charged monthly on total remaining guaranteed value.

It is noted the Program Documents will also specify the:

- Facility Fee may be increased if Project Commencement is delayed beyond the requisite six (6) months; or
- Guarantees may otherwise be withdrawn for failure to meet Commencement requirements.

As fees have been set to recover the Government's cost of offering and administering the Program, they will be reviewed annually and are subject to change.



Visit the Program website for current fees.

Application Process

The Program operates a staged application process to ensure that only eligible Projects progress to detailed assessment and consideration. Participation in the process does not guarantee approval, and the Treasurer, or their delegate, retains full discretion at each stage.

Stage 1:
Expression of Interest

- Developers submit an Expression of Interest (EOI) via the online form.
- Fees do not apply at this stage.



Stage 2:
Invitation to Apply

- Developers, who meet the Program's core eligibility criteria, are invited to submit a formal application.
- Invitation includes instructions on how to apply and the information required.



Stage 3:
Application Submission and Fee

- Eligible developers submit a formal application.
- Application Fee is payable. Application will not proceed until fee is paid.



Stage 4:
Assessment and Due Diligence

- Applications assessed against the Program Guidelines by the Guarantee Advisory Panel (GAP).
- GAP provides recommendations to the Treasurer.



Stage 5:
Treasurer Consideration and Decision

- Treasurer considers GAP recommendations and makes the final decision regarding applications to be supported by the Program.



Stage 6:
Outcome and Offer

- Applicants are notified in writing regarding the outcome.
- Successful applicants to accept offer in writing.
- If accepted, Establishment Fee to be paid.



Stage 7:
Execution of Program Documents

- Program Documents prepared following receipt of Establishment Fee. To be executed by Applicant and the Applicant's financier.
- Project to commence within 6 months of execution.





Stage 1: Expression of Interest (EOI)

Interested developers must submit an EOI via the Program website.

The EOI is an initial screening step to determine whether a Project is suitable to proceed to a full application.

The EOI requires the following information from interested developers:

- project details, including location and development size;
- the size of the guarantee being sought from Government;
- details about the developer and associated entities (e.g. builders and financier); and
- confirmation that the development meets other core eligibility criteria outlined within these Guidelines.

The Treasurer, or their delegate, may:

- request additional information to clarify aspects of the EOI;
- decline an EOI where eligibility requirements are not met; and/or
- determine, at its discretion, whether to invite the developer to apply.

No fee is payable at this stage.



Stage 2: Invitation to Apply

Following consideration of an EOI, the Government may invite an interested developer to submit an Application. The Treasurer, or their delegate, will be under no obligation to invite every interested developer to submit an Application following receipt of an eligible EOI.

An invitation to apply:

- will be issued in writing;
- will include a detailed checklist of information to be collated and supplied for the purposes of submitting the official Application; and
- may specify any additional or Project-specific information required to be submitted.

The information requirements will reflect the level of detail typically required by a commercial financier and may include current and historical financial information (e.g. two years of financial statements), feasibility analysis, sales strategies, Project timelines, evidence of funding arrangements and details relating to project parameters/ stakeholders (e.g. builders/contractors).

Applicants will generally be required to submit a complete Application within **20 business days** of receipt of an invitation to apply, unless otherwise agreed by the Treasurer, or their delegate.



Stage 3: Application Submission and Fee

The interested developer (now an Applicant) will collate the required information within the specified period and submit it to Government for assessment in the requested manner and form.

Upon receipt of the Application information, the Application Fee will become payable. The Application will not be considered until the Application Fee has been paid and confirmation received.

Incomplete applications or applications submitted outside the required/agreed timeframe will not be considered.



Stage 4: Assessment and Due Diligence

Upon receipt of the Application Fee, the Application will be assessed in accordance with the Assessment Framework, as set out in these Guidelines, and may include, but is not limited to:

- consideration against the eligibility criteria;
- financial analysis and viability assessment;
- obtaining independent valuation advice on the dwellings proposed to be subject to a guarantee; and/or
- consultation with relevant government agencies and external advisors.

During this stage, Government may:

- request further information or clarification from the Applicant;
- require Applicants and/or the relevant financier to attend meetings; and/or
- undertake site inspections.

Applicants should note that information received in connection with an Application may be used and communicated outside the Government for due diligence purposes and may also be provided to the Australian Government and third parties engaged by Government to assist with the assessment of the Applications received, together with program monitoring, reporting and evaluation purposes.

The assessment process is overseen by the Guarantee Advisory Panel (GAP) that will be responsible for preparing a recommendation to the Treasurer regarding:

- whether the Application should be supported;
- the value and scope of the guarantees to be issued;
- the dwellings to be covered by the guarantees; and
- the applicable discount to market value.

The GAP will assess and finalise recommendations for the Treasurer's, or their delegate's, consideration.



Stage 5: Treasurer Consideration and Decision

The Treasurer will consider advice from the GAP in making final decisions as to which Projects will be supported through the Program.

The Treasurer is not obliged to approve any Application.



Stage 6: Outcome and Offer

Applicants will be notified in writing of the outcome of their Application as soon as practicable.

Unsuccessful Applicants may request a debrief to obtain feedback on their Application.

Where an Application is successful, an offer to join the Program will be made. The offer will specify the:

- dwellings to which the guarantees will apply;
- total guarantee value; and
- applicable purchase price framework, including the minimum discount to market value.

Applicants will have **20 business days** to accept or decline the offer in writing.

If the offer is accepted, the Establishment Fee will be payable. Progress to preparing any Program Documents will only commence once the Establishment Fee has been paid and confirmed received.



Stage 7: Execution of Program Documents

Upon receipt of the Establishment Fee, the Government will prepare the Program Documents for execution by the Applicant and the Applicant's financier, as necessary.

A standard set of Program Documents will formalise the terms of participation in the Program and will be comprised of:

- **A Tripartite Agreement** between the Applicant, the Applicant's financier and the Government. This will provide legal recognition of the Government's guarantee to purchase dwellings if they are unable to be sold prior to, or upon, completion. The financier is a party to this agreement to acknowledge the Government's guarantee. The Tripartite Agreement will be prepared by the Government.
- **An individual sale contract**, including special conditions required by the Government, for each dwelling the subject of the guarantee. The sale contract will be based on the Applicant's standard off the plan sale contract with the inclusion of prevailing special conditions (which will address matters such as the Applicant's obligation to pay fees, actively market the property in an effort to locate a purchaser and report on sales activity). The individual sale contracts will be prepared by the Applicant, which will also include the Government prepared special conditions.
- **A Deed of Rescission** for each dwelling the subject of the guarantee. This will be signed in counterparts by both the Applicant and the Government at the time of executing the individual sale contracts. Where a guaranteed dwelling is no longer required to be subject to the guarantee, the Applicant may issue a Rescission Notice for acceptance by the Government. If accepted, the Rescission Notice will have the effect of rescinding the relevant sale contract. The Deed of Rescission will be prepared by the Government. The Applicant may issue a Rescission Notice at any time prior to settlement and is under no obligation to proceed with the sale to the Government, including where an alternative purchaser has been secured, additional apartment sales have been achieved, or alternative financing arrangements have become available.

Execution of Program Documents is a precondition to participation in the Program. Delays in execution may affect an Applicant's participation in the Program.

Applicants must be able to Commence construction within **six (6) months** of executing the Program Documents. Failure to do so may result in variation or withdrawal of the guarantees.

Administration, Governance and Assessment Decision-Making

Administration

The Department of Housing and Urban Development (DHUD) will administer the Program on behalf of the Treasurer, and manage the application assessment and evaluation process from the point of an EOI being submitted, through to when an assessment outcome is reached and Applicants are notified.

The South Australian Government Financing Authority (SAFA) will lead the execution of legal and contractual arrangements with successful Applicants and undertake ongoing contract management.

External advisors and other government agencies may be engaged to support assessment and evaluation processes, as required.

Guarantee Advisory Panel (GAP)

The GAP has been established to assess Applications and provide recommendations to the Treasurer.

The GAP will:

- comprise senior representatives from relevant portfolios, including Housing, Treasury and the Premier's Delivery Unit;
- draw on expertise from other agencies or external advisors, as required; and
- be supported by an administrative secretariat.

Final decisions regarding participation in the Program will be made by the Treasurer, or their delegate, who:

- is not obliged to approve any Application;
- may approve an Application subject to conditions; and/or
- may vary the scope or structure of a guarantee from that proposed in the Application.

No approval or offer will take effect unless and until formal Program Documents are executed by all relevant parties.

Assessment Framework

All Applications are assessed on their merits against the eligibility criteria and Assessment Framework published within these Guidelines, with Treasurer, or their delegate, retaining full discretion in all decisions.

Applications will be assessed against a combination of key eligibility and assessment criteria, including threshold requirements and merit-based considerations, including but not limited to:

Eligibility and compliance:

- alignment with all eligibility criteria for the Program outlined within these Guidelines;

Project viability and readiness:

- feasibility and delivery risks;
- appropriateness and realism of cost, revenue and sales assumptions; and
- level of pre-development progress, including procurement and site readiness.

Financial capacity and funding structure:

- financial strength and credibility of the Applicant and any related entities;
- adequacy and structure of debt and equity financing; and
- credibility of the Project financier and lending arrangements.

Delivery capability:

- capability and credibility of key Project participants, including builders and consultants; and
- appropriateness of the delivery model and risk allocation.

Market and sales considerations:

- consideration of market conditions and sales assumptions;
- reasonableness of sales strategy and pricing assumptions;
- evidence of market demand within the relevant segment; and
- risk profile of unsold stock and exposure to market fluctuations.

Public value and strategic alignment:

- contribution to housing supply;
- broader economic benefits, including employment and activity in the construction sector; and
- Link/relevance to broader state strategic priorities.

Value for money and risk to Government:

- scale of the guarantee sought;
- risk-adjusted exposure to government, including likelihood of guarantee being called upon; and
- appropriateness of the proposed purchase discount relative to identified risks.

The GAP may consider any other factors it considers relevant in assessing an Application in order to provide an informed recommendation to the Treasurer, or their delegate.

Project Delivery and Compliance

Successful Applicants must:

- Commence construction within six (6) months;
- actively market guaranteed dwellings; and
- provide regular reporting on sales and progress in accordance with obligations set out in the Program Documents.

The Government may:

- enforce compliance measures; and
- cancel guarantees where obligations are not met, as set out in the Program Documents.

Freedom of information

Applicants should be aware that all documents in the possession of the government, including those about this Program, are subject to the *Freedom of Information Act 1991* (SA) (FOI Act). Information submitted in applications and all related correspondence, attachments and other documents may be made publicly available under the FOI Act.

The FOI Act gives members of the public a legally enforceable right to apply to access documents – subject to certain exemptions which may include information deemed commercial-in-confidence – held by government agencies, local government authorities, statutory and regulatory bodies and South Australian universities.

Privacy and information policy

DHUD, DTF and SAFA comply with the Government of South Australia's Information Privacy Principles Instruction. DHUD, DTF and SAFA collect information (including personal information) as reasonably necessary for the purposes and functions of:

- administering government initiatives;
- keeping you informed about the Program, and relevant upcoming events;
- initiatives and outcomes, our services, special events or client feedback surveys, as well as our activities in general; and
- improving our websites and other services.

The collection and use of information extends to use of such information by the Treasurer and Minister for Housing and Urban Development for the purposes as outlined above.

If an Applicant believes that any information provided in their application is confidential or commercial-in-confidence, the Applicant must clearly identify such information and the reason for its confidentiality.

Any information contained in or relating to an application and any other associated evidence, documentation or information, including information identified by an Applicant as confidential information for the purposes of applying for funding under this Program, may be disclosed and/or used by the Government:

- to its employees, advisers or third parties in order to manage the Program, including but not limited to, for the purposes of evaluating and assessing applications;
- for the purposes of verifying any information contained in your application – DHUD provide information to other agencies or third parties nominated in your application including, but not limited to, DTF and SAFA;
- for the purpose of economic, policy or other modelling, including sharing with third parties, consultants or advisers engaged by DHUD, DTF and SAFA for that purpose;
- for due diligence, monitoring, reporting and audit purposes;
- within the Government where this serves the legitimate interests of DHUD, DTF and SAFA;
- in response to a request by a House or Committee of the Parliament of the Commonwealth of Australia or South Australia;
- for training, systems testing and process improvement, including compiling statistics and reports;
- if an application is successful, for promotion of outcomes;
- where information is authorised or required by law to be disclosed; or
- where the information is already in the public domain.

It is the intent of the Government to be transparent with regards to assistance provided to industry. The Government intends to publicly disclose details of all assistance provided by the Government for this Program (which will include, but is not limited to, the name of the successful Applicant, and amount of the approved guarantee).

Reservation of Rights

The Treasurer, or the Government, reserves the right to:

- administer the Program and conduct the process for the assessment and approval of applications in such manner as they think fit;
- change the structure, procedures, nature, scope or timing of, or alter the terms of participation in the Program (including but not limited to these Guidelines, eligibility, timeframes, fees, terms and conditions, submission and compliance of applications), where in such circumstances notice will be provided to Applicants on the Program website;
- consider or accept, or refuse to consider or accept, any application which:
  - is lodged other than in accordance with these Guidelines; or
  - is lodged after the relevant closing date; or
  - is otherwise non-conforming in any respect.
- where approval of an application has been communicated to an Applicant, withdraw such approval in the event facts or information come to the attention of the Government (whether known at the time of the application or not) which in their reasonable opinion:
  - are material to their assessment of the application; and/or
  - mean the application is made other than in accordance with these Guidelines or non-confirming in any respect.
- abandon or close the Program as they think fit.

Disclaimer

No responsibility for any loss or damage caused by reliance on any of the information or advice provided by or on behalf of the State, or for any loss or damage arising from acts or omissions made, is accepted by the State, its instrumentalities, officers, servants or agents.

Copyright

By applying for the Program an Applicant will be taken to:

- license the State to reproduce for the purpose of this process, the whole or any portion of application despite any copyright or other intellectual property right that may subsist; and
- transfer ownership in the documents and any other materials constituting the application to the Treasurer.